

**Circle the answer which you believe to be correct.**

1. According to the Bank of Canada in June 2012, the average Ontario household is carrying more than \_\_\_\_\_ worth of non-mortgage loans. (**Note:** a mortgage is a loan used to purchase a home, a non-mortgage loan is one used to purchase something other than a home – e.g. clothing, gas, gifts, food, etc.)
  - a) \$5,000
  - b) \$15, 000
  - c) \$25,000
  - d) \$35, 000
2. For every \$1,000 that is earned in after-tax income, Canadian households owe
  - a) \$250
  - b) \$500
  - c) \$1000
  - d) \$1,500
3. The most effective strategy for individuals to reduce household spending is for them to:
  - a) impose rules — like cutting your cable subscription or a daily coffee
  - b) to ask how necessary individual expenditures are
  - c) to shop for credit cards which do not charge as much interest
  - d) see a credit counselor who will help them to plan a budget
4. What percentage of Canadians do not pay off their credit card balances each month?
  - a) 40% (4 in every 10 people)
  - b) 50 % (5 in every 10 people)
  - c) 60% (6 in every 10 people)
  - d) 70% ( 7 in every 10 people)
5. What percentage of Canadians do not know the interest rate charged for their credit cards?
  - a) 8% (about 1 in 10 people)
  - b) 18% (about 2 in 10 people)
  - c) 28% (about 3 in 10 people)
  - d) 38% (about 4 in 10 people)

Sources:

<http://www.cbc.ca/news/business/story/2012/03/11/f-curbing-household-debt.html>  
<http://www.debtontario.com/article.php?ArticleID=14>